Introduced by Senator Hill

February 14, 2013

An act to add Section 1702.5 to the Public Utilities Code, relating to the Public Utilities Commission.

LEGISLATIVE COUNSEL'S DIGEST

SB 291, as amended, Hill. Public Utilities Commission: safety enforcement: gas and electrical corporations.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including gas corporations and electrical corporations, as defined. The Public Utilities Act requires the PUC commission to investigate the cause of all accidents occurring upon the property of any public utility or directly or indirectly arising from or connected with its maintenance or operation, resulting in loss of life or injury to person or property and requiring, in the judgment of the PUC commission, investigation by it, and authorizes the PUC commission to make any order or recommendation with respect to the investigation that it determines to be just and reasonable. The act additionally authorizes the PUC commission to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or services to be furnished, imposed, observed, and followed by specified public utilities, including electrical and gas corporations. Existing law authorizes the PUC commission to issue and serve citations in the enforcement of certain pipeline safety laws applicable to mobilehome park gas delivery systems and propane operators.

SB 291 -2-

17

18

19

20

21

22

23

24

This bill would require the PUC commission, in an existing or new proceeding, to develop and implement a safety enforcement program that includes procedures for issuance of citations by PUC commission staff, under the direction of the Executive Director of the PUC commission, to gas corporations and electrical corporations for correction and punishment of safety violations. The bill would require the PUC commission to develop and implement an appeals process to govern issuance and appeal of citations, or resolution of corrective action orders. The bill would require the commission to implement the safety enforcement program for gas safety by July 1, 2014, and for electric safety by January 1, 2015.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1702.5 is added to the Public Utilities 2 Code, to read:

3 1702.5. (a) The commission shall, in an existing or new proceeding, develop and implement procedures for issuance of 5 citations by commission staff, under the direction of the Executive 6 Director, a safety enforcement program applicable to gas corporations and electrical corporations-for correction and 7 punishment of safety violations, which includes procedures for issuance of citations by commission staff, under the direction of 9 10 the Executive Director. The enforcement program shall be designed to improve gas and electric system safety through the enforcement 11 12 of applicable law, or order or rule of the commission related to safety using a variety of enforcement mechanisms, including the 13 14 issuance of corrective actions, orders, and citations by designated 15 commission staff. 16

- (1) When issuing citations and assessing penalties, the commission staff shall take into account voluntary removal or resolution efforts undertaken, the prior history of violations, the gravity of the violation, and the degree of culpability.
- (2) The procedures shall include, but are not limited to, providing notice of violation and a reasonable period, not to exceed 30 calendar days, for the respondent to correct the violation, to allow one or more hearings within 60 days of being a citation at the request of the respondent.

3 SB 291

(3) The commission shall adopt an administrative limit on the amount of monetary penalty that may be set by commission staff.

- (b) The commission shall develop and implement an appeals process to govern the issuance and appeal of citations *or resolution of corrective action orders* issued by the commission *staff*.
- (c) The commission shall, within a reasonable time set by the commission, conclude a safety enforcement action by determining a finding of violation, by corrective action order, citation, determination of no violation, or other action. The commission may institute a formal proceeding regarding the alleged violation regardless of any enforcement action taken at the commission staff level.
- (d) The commission shall implement the safety enforcement program for gas safety by July 1, 2014, and the safety enforcement program for electric safety no later than January 1, 2015.